

## Association for Information Systems AIS Electronic Library (AISeL)

---

ACIS 2010 Proceedings

Australasian (ACIS)

---

2010

# Applying the BPM-Culture-Model – The Hilti Case

Jan vom Brocke

*University of Liechtenstein*, [jan.vom.brocke@uni.li](mailto:jan.vom.brocke@uni.li)

Theresa Sinnl

*University of Liechtenstein*, [theresa.sinnl@uni.li](mailto:theresa.sinnl@uni.li)

Follow this and additional works at: <http://aisel.aisnet.org/acis2010>

---

### Recommended Citation

vom Brocke, Jan and Sinnl, Theresa, "Applying the BPM-Culture-Model – The Hilti Case" (2010). *ACIS 2010 Proceedings*. 16.  
<http://aisel.aisnet.org/acis2010/16>

This material is brought to you by the Australasian (ACIS) at AIS Electronic Library (AISeL). It has been accepted for inclusion in ACIS 2010 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact [elibrary@aisnet.org](mailto:elibrary@aisnet.org).

## Applying the BPM-Culture-Model – The Hilti Case

Jan vom Brocke and Theresa Sinnl  
Institute of Information Systems  
University of Liechtenstein  
Vaduz, Principality of Liechtenstein  
Email: jan.vom.brocke@uni.li; theresa.sinnl@uni.li

### Abstract

*Business Process Management (BPM) has evolved into an important field in Information Systems Research (ISR). While Information Technology (IT) has proven to be a strong driver for business process excellence and innovation, the successful implementation of BPM initiatives essentially depends on soft factors, such as culture in particular. In many cases, cultural aspects are in fact decisive to the success or failure of IT-driven transformation projects. However, culture is still a fairly under-researched construct in our discipline. The BPM-Culture-Model, presented recently in the Business Process Management Journal (BPMJ), intends to prove a first conceptualisation of culture in BPM. While the model is based on a structured literature review, it has not been evaluated yet. In this paper, we apply parts of this model to analyse the case of a large scale BPM transformation project at the Hilti corporation in order to evaluate the explanatory power of the model. Our approach confirms that the model helps to better understand the role of culture in this context. In addition, we indicate directions for future research.*

### Keywords

Business process management, culture, model, BPM culture, cultural context, cultural fit

## INTRODUCTION

Business Process Management (BPM) has evolved into an important field in Information Systems Research (ISR). As a holistic management approach, BPM concerns the improvement and innovation of business processes to continuously increase an organisation's efficiency and effectiveness (Smith and Fingar 2004; DeToro and McCabe 1997). While obviously Information Technology (IT) may serve as an essential driver of organisational change towards process-orientation (Davenport 1993; Willcocks and Smith 1995), BPM comprises further important factors such as strategic alignment, governance, methods, people, and culture (Rosemann and de Bruin 2005; Hammer 2010). Especially culture has been identified as an important factor with regard to BPM success (Rosemann and vom Brocke 2010; Harmon 2010; Ravesteyn and Versendaal 2007; Armistead and Machin 1997; Zairi 1997). Yet, it is still an under-researched topic in the field of BPM (vom Brocke and Sinnl 2010).

The BPM-Culture-Model has recently been developed with the intention to conceptualise the culture phenomenon in BPM research (vom Brocke and Sinnl 2010). It is grounded in a structured literature review and suggests several constructs relevant with regard to the emerging research area, such as BPM culture, the cultural context, and the cultural fit. While the model provides first insights on the role of culture in BPM, it has not been evaluated yet. Therefore, we choose to consult a case study with Hilti on the Global Processes and Data (GPD) project of the corporation to examine how far the BPM-Culture-Model may serve as a means to determine the role of organisational culture in a complex, global scale BPM project (vom Brocke, Petry, Sinnl, Kristensen and Sonnenberg 2010).

In the following, we continue our paper providing some background for our analysis. In this regard, we introduce the BPM-Culture-Model, explaining its elements in detail. In addition, we present some high level facts on the Hilti corporation and explain the methodological approach chosen to examine the BPM-Culture-Model. Given this background, we relate the framework to the case of Hilti's global BPM initiative and apply the concepts of the model associated with organisational culture. The application of the framework allows us to discuss the explanatory power of the BPM-Culture-Model with regard to the Hilti case. In this context, we point out limitations of our approach and derive areas for future research. Finally, we conclude with a summary and outlook.

## BACKGROUND

### The BPM-Culture-Model

Going into details regarding the BPM-Culture-Model, we, first of all, like to point out the understanding of the culture concept that underlies the model in terms of the so-called (a) culture triad (vom Brocke and Sinnl 2010). This provides a basis for the two major elements that the framework basically consists of: (b) BPM culture and its (c) cultural context (see Figure 1). Finally, we explain the concept of the (d) cultural fit between the two major elements.

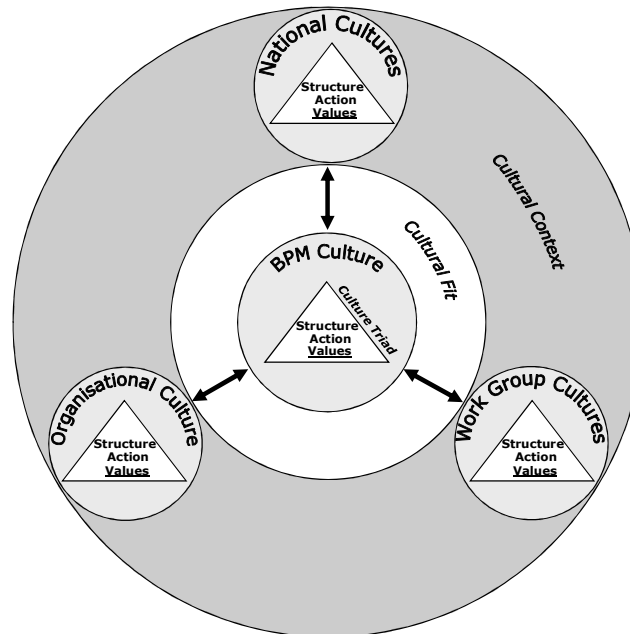


Figure 1: BPM-Culture-Model

#### (a) The culture triad

Consisting of the three elements values, action, and structure, the culture triad serves as a basis to explain cultural phenomena with regard to BPM (vom Brocke and Sinnl 2010). Following Schein's (2004) generic understanding of culture, the culture triad differentiates levels of visibility respectively ways of manifestations of culture and, thus, serves as a pattern for the internal differentiation of culture. Even though values are rather invisible, they represent the decisive element of culture since this subconscious part of culture accounts for a mental map on fundamental aspects of life, such as the nature of time and space, the role of social hierarchies, or the relative importance of work, family, and self-development. These values provide day-to-day operating principles for members of a culture group and manifest themselves in visible actions and structures. These visible elements help develop or maintain respective values in that actions constantly re-create the essence of culture and structures additionally visualize it. Actions that reveal lived cultural values include manners, observable rituals and ceremonies, and visible behaviour. Structures as another visible element representing cultural values include physical environment, technology and products, descriptions, and organisation charts. Thus, for the context of the model, the understanding of culture is that culture basically consists of invisible value orientations that manifest themselves in visible actions and structures.

#### (b) BPM culture

BPM is perceived as a management approach that requires a BPM culture (Jesus, Macierira, Karrer, and Caulliraux 2010). BPM culture refers to a certain set of values considered supportive of BPM objectives. Even though it is a facet of organisational culture, BPM culture is treated separately because it is only part of organisational culture and, in most cases, it is only ex post being integrated in an existing organisational culture, incorporating specific BPM values. While there are no explicit references to specific BPM values in the literature, the following general BPM values were derived in former research (vom Brocke and Sinnl 2010): consistency, quality, continuous improvement, customer orientation, process orientation, and responsiveness to change. These general BPM values may serve as an initial means for the examination of a BPM culture, however, there may be further general values and there may also be specific BPM values differing based on the organisational context or depending on the process they refer to. Creative industry sectors or processes, for example, may require some specific values in their BPM approach different from routine work. Therefore, the analysis of BPM values does need further consideration in future research, especially since values are at the core

of a culture providing a general inner orientation for everyone involved. Yet, for the purpose of our framework analysis, we stick to the general BPM values identified in former research.

(c) The cultural context

Considering BPM initiatives in organisations, projects always face a certain cultural background that – in the BPM-Culture-Model – is called the given cultural context for the development of a BPM culture. First, the cultural context includes the organisational culture that has developed over time and that is supposed to integrate a BPM culture along with the project. Second, there may be different national cultures involved in the establishment of BPM, be it through international collaboration or be it through expatriates in a local team. Third, there are different work group cultures within an organisation, for example, due to different disciplinary backgrounds or due to project teamwork. Even though the cultural context is determined by diverse situational factors, national culture, organisational culture, and work group culture are typical dimensions driving this context. These cultures are interconnected in a complex way and influence the cultural context as a set of values driving human action. Due to the immense complexity of the existing cultural context of a BPM initiative, we picked one element of the cultural context for the purpose of this research. Since we believe the existing organisational context has a significant impact on a BPM initiative, we focus on organisational culture as the given cultural context. Thus, we reduce the complexity of the framework application and are thus able to generate clear statements regarding the explanatory power of the organisational culture facet of the model.

(d) The cultural fit

The cultural fit refers to a basic congruence between the cultural context and the BPM cultural values that are underlying a BPM approach. The BPM-Culture-Model builds on the assumption that a basic alignment of the BPM culture and its cultural context is necessary for successful BPM. This fit basically means a fit of culture values since underlying values are the essential element of a culture. Thus, the cultural fit is required due to differing value orientations in various group cultures. It can be easily imagined that a BPM approach that generally includes continuous improvement as a value orientation is influenced by an organisational culture that is rather conservative and not very open for change. Very likely, the project initiative will face a huge amount of resistance. At the same time, the BPM project may influence the organisational culture in that it changes towards more openness for innovative ideas. This small example illustrates that organisational culture may be both influencing and influenced by the BPM approach and its underlying values. In the same way, work group culture and national culture are related to a BPM approach, whereas national culture can be considered as a rather stable culture that can hardly be changed on a big scale. Given this background, it is obvious that a cultural fit between the BPM culture and its cultural context is required based on underlying values in order to sustainably establish BPM in an organisation. In the following, we briefly introduce some facts on the Hilti Corporation before going into more detail on how we aim to examine the applicability of the BPM-Culture-Model to the Hilti case, i.e. the explanatory strength of the BPM-Culture-Model with regard to cultural aspects of a global BPM initiative.

### **The Hilti Corporation**

Hilti is a global corporation in the construction industry. It provides tools, systems and services to customers worldwide. With revenue of 3.8 billion Swiss francs in 2009, Hilti employs almost 20,000 employees around the globe, of which roughly 1,700 work in the headquarters in Schaan, Liechtenstein (Hilti 2010). Two-thirds of all employees worldwide work directly for the customers in sales organisations and in engineering, which means a total of more than 200,000 customer contacts every day. Hilti has its own production plants as well as research and development centres in Europe and Asia.

In 2000, the Hilti Corporation started a world-spanning BPM project called Global Processes and Data (GPD) (vom Brocke et al. 2010). Realising the IT-strategy that had been derived from the overall business strategy, the objective of the initiative was to overcome local data and process silos by introducing globally harmonised business processes and standardised data structures supported by a global system solution and one globally managed IT team. By the end of 2008, over 95% of Hilti's revenue, more than 40 sales organisations, and all eight production plants were operated on one global system. This means more than 15,000 users working with an integrated ERP system and 6,000 users also working with a mobile version of the system. Until today, the project has been perceived as very successful with regard to the process orientation that has been implemented in the overall corporation through the BPM initiative.

Regarding the application of our framework, we choose to pick the GPD project of Hilti as an example to reflect how far the framework is able to explain cultural aspects of an organisation's BPM initiative. We assume that the huge size and impact of the project on the organisation provide an excellent basis for the evaluation of the BPM-Culture-Model. Given the context of a very complex, global scale BPM initiative, the organisational culture facet of the framework will be examined. Before applying the model to the case of Hilti, we will briefly introduce our methodological approach.

## **Methodological approach**

With respect to our research method, we analyse data gathered in the context of a case study on Hilti's GPD project against the background of the BPM-Culture-Model (vom Brocke et al. 2010). The case study helps to gain insights on the explanatory power of the BPM-Culture-Model. As mentioned before, we decided to focus on a specific part of the model, namely organisational culture as a cultural context. Our qualitative research approach includes the analysis of existing interviews and documents which we had gained in a case study on the role of the corporate culture in the context of the GPD project (vom Brocke et al. 2010). The interviews had been conducted with managers involved in the global BPM project of the corporation, including the CIO, Dr. Martin Petry. Examining the role of Hilti's organisational culture through the lense of the BPM-Culture-Model is expected to provide first insights on the explanatory power of the framework.

Structuring our approach, we build on the two major concepts of the model, BPM culture and its cultural context. With regard to the culture triad, we aim to examine how far the BPM culture triad at Hilti is recognisable considering Hilti's approach towards a BPM culture and how far a specific organisational culture triad of the Hilti Corporation can be recognised, i.e. the organisational values and their institutionalisations. Beyond the single consideration of these two concepts, we look at the link between them according to the notion of a cultural fit. Focussing on organisational culture as a cultural context for the BPM initiative, we like to examine how far the concept of a cultural fit between the values of the BPM approach and its organisational cultural context is able to explain the success of the project from a cultural perspective. Thus, in the following, we explore to what extent the framework systematically illustrates cultural aspects of the GPD project at Hilti.

## **APPLICATION OF THE BPM-CULTURE-MODEL**

### **Towards a BPM Culture - The BPM Culture Triad**

Analysing how far a BPM culture triad is recognisable regarding Hilti's BPM approach, we take a closer look at the origin and the realisation of the GPD project. According to a Hilti manager, Michael Hilti confirms that the idea of globally integrated processes was already "in the genes of Hilti" since 1963, yet it had not been realisable at that point in time. Several efforts towards a more globally integrated corporation have been undertaken. In the 1980s and in the 1990s, as reported in the case study interviews, Hilti aimed at a global integration of the company, however, the approaches were too IT-oriented, resulting in too little efforts on the business side. Hilti managers further stated that the initiative needed to be broader, including a global business application landscape, global processes and global process owners. That means process orientation has generally been perceived as a value of great importance to the corporate leadership, however, its realisation or institutionalisation had not been achieved for a long time.

In 2000, the Hilti CIO presented the idea of the GPD project to the top management, as was reported in the interviews. Furthermore, it was explained that GPD was based on a new IT strategy aligned with the overall business strategy, and that GPD, thus, constituted a tangible project for realising a global BPM. According to the interviewees, the Hilti CEO and members of the Executive Board sponsored the project right from the start, but to realise the BPM project, a dedicated and capable set of people in the transformation team was essential. The interviewees reported that therefore the management team of the GPD project was set up consisting of both business and IT representatives who, first of all, designed a common terminology to be able to address an audience that is not used to projects involving major technical changes. At the same time, it was necessary that the project management team melts together as a set of people who speak the same language, it was reported. In this regard, a manager explained that the project management team developed the idea of "the strongest argument winning" a discussion on how to proceed best in the project. It becomes apparent that the underlying value orientation of the Hilti leadership allowed the CIO to take action and launch an organisational structure with the GPD project that institutionalises process orientation in the company.

With regard to organisational structures, several structures can be identified as institutionalisations of process orientation. The implementation of the ERP system accounted for a huge structural change, integrating all sales channels and providing a structured sales management process. Furthermore, the interviewees reported that mobile solutions for territorial sales persons offered a direct information flow concerning upcoming customer visits. With regard to the realisation of these structural changes, interviewees explained that tangible outcomes and a clear visible progress on the content were necessary in order to guarantee the credibility of the project and to deliver results step by step, continuously implementing the vision of the project. For these reasons, meeting the go-live deadline of the roll-out plan was considered a quality criterion of the project, as a manager reported, especially since it was decided to add qualitative improvements, both geographic and functional, during the global roll-out, it was necessary to roll out the system forward and backward to keep all market organisations on the same level.

The interviewees furthermore explained that, apart from the huge structural changes through the ERP system in the business, the IT function heavily experienced restructuring. This concerned the organisation of Hilti IT which used to be arranged locally. Through the GPD project, a global IT team, lead by one global CIO, was formed, supporting the Hilti business based on a 8-8-8 h follow-the-sun schema with Kuala Lumpur in the Far East, Schaan in Liechtenstein, and Tulsa in the US as global IT centres. As a manager reported, the central Hilti IT function became responsible for the IT infrastructure worldwide. In addition, Hilti IT was organised in alignment with the organisation's business processes. For the support of these processes so-called Process Competence Centres were established in the IT function.

Regarding the maintenance of process standards today, additional structures were established: Global process owners and the IT function regularly revisit processes based on insights from the Hilti KPI reporting in order to optimise operations. Interviewees further reported that specific goals included KPI targets such as a 95% customer perfect order or three days repair cycle times. It is important to notice that all targets were defined including a target value. Generally, it is interesting that most KPIs that arose out of the project are business-rather than IT-related, helping to define and manage quality standards for the customers. It becomes apparent that a broad range of organisational structures were established that represent an institutionalisation of process orientation as a value underlying the initiative.

Looking at specific actions supporting the project, two stick out: First, it was reported that a strong communication at the beginning of the project was necessary to ensure everybody understands the strategy. Second, interviewees explained that Hilti developed the concept of cross-fertilisation with regard to internal training, meaning that people from different sales organisations, for example, synchronise themselves through peer support. This proved to be more effective than sending global process experts trying to convince sales organisations how to do their business, especially since GPD fundamentally changed the way of work and interaction with customers, as a manager reported. Against this background, we can recognise a specific value orientation, actions and structures of a BPM culture in the Hilti approach according to the culture triad:

- (i) *Value orientation:* The BPM initiative was based on the top management valuing process orientation. Yet, for a long time, it proved to be difficult to act accordingly and implement structures in this direction. Once the GPD project was launched, the institutionalisation of process orientation as a value slowly but steadily became visible.
- (ii) *Actions:* In order to derive a tangible project out of the value orientation, the CIO's action presenting the idea of GPD was decisive. Even though the GPD project started off from the IT side, the project team actively involved the business side, accounting for an IT-business alignment that ensured the BPM approach was not again too IT-oriented. Furthermore, the strong communication at the beginning of the project and the peer trainings during the roll-out were important actions regarding the establishment of a BPM culture.
- (iii) *Structures:* The institutionalisation of process orientation resulted in a visible change of organisational structures. In the overall corporation, the most obvious change may have been the implementation of an integrated ERP system that, especially, supported processes in the sales function. In addition, structural changes of the IT function were part of the BPM initiative, such as the formation of one global IT team or the establishment of the Process Competence Centres. Furthermore, global process owners and KPIs were defined for the management of the business processes.

It can be seen that the initial process value orientation of the Hilti top management served as an important driver for the institutionalisation of this value in visible actions and structures. Especially changed organisational structures were immediately visible. Thus, the BPM culture triad can be recognised with respect to Hilti's BPM approach. In the following, we will examine the organisational culture context at Hilti in order to then analyse to what extent it facilitated or hindered the development towards a BPM culture.

### **The Cultural Context - The Organisational Culture Triad**

Focusing on the organisational culture context, we examine how far an organisational culture triad is recognisable at Hilti and take a closer look at the corporate culture. Starting with the value orientation of the company, we can identify a wide range of values that play a particularly important role in the corporation. Referring to Hilti's annual report in 2000, when the GPD project started, the following values were shared by the employees of the corporation: commitment, integrity, responsibility, trust, tolerance, respect for others, readiness to learn and change, and recognition and embracement of duties to society and environment (Hilti 2000). Beyond these, values such as teamwork, for example, were part of the broader mission statement. During the course of the GPD project the overall mission statement of the corporation slightly changed resulting in a focus on the following corporate values (Hilti 2005; vom Brocke et al. 2010): integrity, courage, teamwork, and commitment.

According to Hilti managers, these corporate values account for a motivating culture as important driver of the business. The meaning of the organisational culture to the business becomes even apparent in the Hilti business model (Hilti 2010). The latter is framed by two elements: (1) passionate people sharing a motivating culture as the essential drivers for business (input), and (2) customer value and sustainable profitable growth as the primary objectives (output). The model illustrates the importance assigned to the organisational culture in Hilti's business. In order to ensure that Hilti employees act according to the organisational values, the corporation institutionalises the learning and internalising of those values through the so-called Culture Journey. This means that the realisation and maintenance of a corporate culture is a constant process (vom Brocke et al. 2010). As interviewees reported in the case study, every employee goes through team camps off-site on a regular basis. Thus, the Culture Journey is a permanent corporate initiative ensuring that the corporate purpose and values are meaningful to all employees working at Hilti. Considering the approximately 20,000 people working for Hilti in over 80 market organisations around the world, Hilti managers explained that a specific process was needed in order to foster a shared understanding within the company, and to help people identify with the company. Therefore, the Culture Journey was established to bind people to act together and is an important source of motivation and integration (vom Brocke et al. 2010).

Interviewees further explain that Hilti's corporate culture is also embedded into the management process: Annual ratings are conducted in order to examine to what extent the corporate culture is actually lived by the employees. Going into detail, a manager reports that for each employee "Performance Metrics for Personal Development" are evaluated by means of a scorecard, including sections for each corporate value dimension: integrity, courage, teamwork, and commitment. Based on this scorecard, regular feedback talks are conducted. Furthermore, the manager explains that an annual global employee opinion survey provides a frame for the sustainable management of the corporate culture. Thus, the corporate values are under close surveillance. In addition, interviewees report that both commencement and termination of employment considerably depend on the person's value orientation. At the same time, commitment, would be strongly acknowledged, both internally and through the Hilti customers. Regarding the organisational culture triad of Hilti, we can perceive values, actions and structures as follows:

- (i) *Values*: The corporate Culture Journey ensures that the organisational culture values are lived by Hilti's employees, which in 2010 comprise integrity, courage, teamwork, and commitment.
- (ii) *Actions*: The organisational values become visible in employee's actions on a daily basis, serving goals at the operational level. For example, the corporate values provide a basis for selecting new personnel. Furthermore, customer feedback serves as an indicator regarding employee's actions as a team living the corporate values.
- (iii) *Structures*: The institutionalisation of the corporate values is already visible in the Hilti business model. Furthermore, the Culture Journey provides an important organisational structure to maintain the achieved corporate culture. The regular assessment of the lived organisational culture via feedback talks and global employee opinion surveys additionally support the maintenance of the culture.

We can see that the elements of the culture triad can be recognised in the corporate culture of Hilti: The organisational values guide employees' actions and account for organisational structures that sustain the corporate culture. In the following, we will take a closer look at how the development of a BPM culture is compatible with the existing organisational culture at Hilti.

### **The Cultural Fit**

We have seen that both the BPM culture triad and the organisational culture triad are recognisable regarding the Hilti case. In the following, we examine how far the corporation's approach towards a BPM culture fits to the corporate culture of Hilti. In doing so, we intend to analyse to what extent the BPM-Culture-Model is able to explain the performance of the GPD project from a cultural perspective in order to identify reasons for support or hindrance of the BPM initiative at Hilti. Evaluating the cultural fit between a general BPM culture and the organisational culture, we will, first of all, have a closer look on (a) the impact of Hilti's organisational culture on the BPM initiative. Second, we will analyse (b) the impact of the BPM initiative on the corporate culture of the organisation. And third, we will address what we call (c) the culture triad cycle, looking further into Hilti's process of developing a BPM culture.

#### **(a) The impact of organisational culture on BPM**

Analysing to what extend the organisational values fit to general BPM values, we evaluate how far Hilti's organisational culture supports the realisation of a general BPM culture. Arguing that Hilti's corporate culture values are supportive of general BPM values, we develop the following exemplary statements, of which each starts with a general BPM value, explaining how it may be impacted through Hilti's corporate values:

- *Process orientation* may be strongly supported through an organisational value like *teamwork* because process orientation goes along with crossing organisational boundaries. Hilti's approach to pull at one string regarding the BPM project, involving both business and IT representatives from the very beginning of the project, demonstrates the idea of cross-departmental teamwork being crucial to process orientation.
- *Responsiveness to change* may depend to a large extent on people's *courage*. The GPD project shows a huge amount of courage regarding the launch of the project since the success of the initiative was not guaranteed at the beginning of GPD. Furthermore, the company's *readiness to learn and change* directly supported the BPM approach.
- *Customer orientation* may be enhanced through employees' *commitment*. Considering the effort that comes along with process and system changes in the daily work of a sales person, Hilti provides an excellent example for the fact that customer orientation needs a lot of commitment through the employees.
- *Quality* may depend on employees' *commitment* as well. Relating quality to reliability, the GPD project quality, has partially been determined by meeting the go-live deadline appointed at the beginning of the project, which required a large amount of commitment through the project team members. In addition, the commitment towards KPIs like the three days repair cycle time contributes largely to quality perceived by the customer. Furthermore, taking *responsibility* for the project's success significantly fosters its quality.
- *Continuous improvement* may only function when employees are committed to permanently learn and change their habits. The approach of the GPD project to start rolling out the IT system implementation in one country and continue to improve it during the roll-out in other markets and then going back to the first country to redo the roll-out is representative for Hilti's attitude towards continuous learning. Also, regular process audits call for *commitment* and *integrity* in case they require additional process changes.
- *Consistency* may be supported by upright people. The GPD project team chose a decision mode that would always follow the strongest argument which requires much *integrity*, especially from the management, to act in a consistent way. Furthermore, a lot of *commitment* from the project team was necessary to meet the go-live deadlines in order to deliver project results step by step.

There may be further ways to explain the influence of the general BPM values on Hilti's corporate values, yet, from our perspective, the matching already shows that Hilti's organisational values are likely to be supportive of a BPM approach. Note that we did not include all former Hilti values in our analysis since we consider *trust*, *tolerance*, and *respect for others* as internal values determining how to conduct *teamwork*, for example, and similarly, we contemplate *recognition and embracement of duties to society and environment* as a value specifying *integrity*. Considering the Hilti case against the background of the value examination, we can conclude that there was no need to fundamentally change the organisational culture in order to have it compatible with a BPM culture coming along with the BPM initiative. To the contrary, the existing organisational culture served as a strong facilitator of BPM. General BPM values turned out to be particularly compatible with Hilti's values.

#### (b) The impact of BPM on organisational culture

We have already seen that the publicly expressed corporate values changed during the course of the project, resulting in a more focused set of values that are institutionalised through the Culture Journey, for example. Looking at the entire timeframe of the GPD project, it furthermore stands out that the corporate mission statement slightly changed. At the beginning of GPD, the organisation's vision read as follows: *Throughout the world, we strive to be the leading supplier of high-quality selected tools and fastening systems for professional customers in the construction and building maintenance industries*. Over the course of the project, the vision statement was replaced by the Hilti Core Purpose Statement: *We passionately create enthusiastic customers and build a better future*. The development of the mission statement shows how Hilti lays an even stronger focus on customer orientation, not only "striving to be the leading supplier for professional customers" but "passionately creating enthusiastic customers". Thus, we can conclude that the overall corporation underwent a huge transformational change during the course of GPD, which can be considered a streamlining of the corporate culture along with the overall change that was launched through the BPM initiative.

#### (c) The culture triad cycle

Regarding the development of a BPM culture, we recognise a circularly process starting with a value orientation which calls for actions and structures which in turn leads to more actions and the diffusion of the value orientation. In the case of Hilti, the first step towards a corporate BPM culture was the top management's valuing of process orientation. Because the Hilti leadership has always perceived such a global approach as reasonable, the initial action of the Hilti CIO to suggest the GPD project was immediately welcomed, leading to a first organisational structure, namely the GPD project team. This team took action based this value orientation,



resulting in a huge structural change which in turn required a change in action for all employees since the global harmonisation of the Hilti processes accounted for a transformation of the daily work of the employees. Furthermore, actions were taken, such as the realisation of special communication strategies, to ensure people understand the significance of the initiative. This way, BPM values were spread and it was possible for Hilti to achieve a BPM culture. Thus, we can see that the development of structures based on value orientations needed to be passed through several times in order to establish a BPM culture for the entire organisation. With regard to organisational culture, Hilti's BPM approach was overall supported through the strong culture Hilti realised over years and very consciously maintains. Thus, we can conclude that the BPM-Culture-Model is able to explain the cultural fit based on the compatibility of Hilti's corporate values and general BPM values. Figure 2 illustrates the respective culture triads of the BPM-Culture-Model. Note that the organisational and the BPM culture may comprise additional values and that the two levels "actions" and "structures" are just exemplarily for the institutionalisation of the respective cultural values.

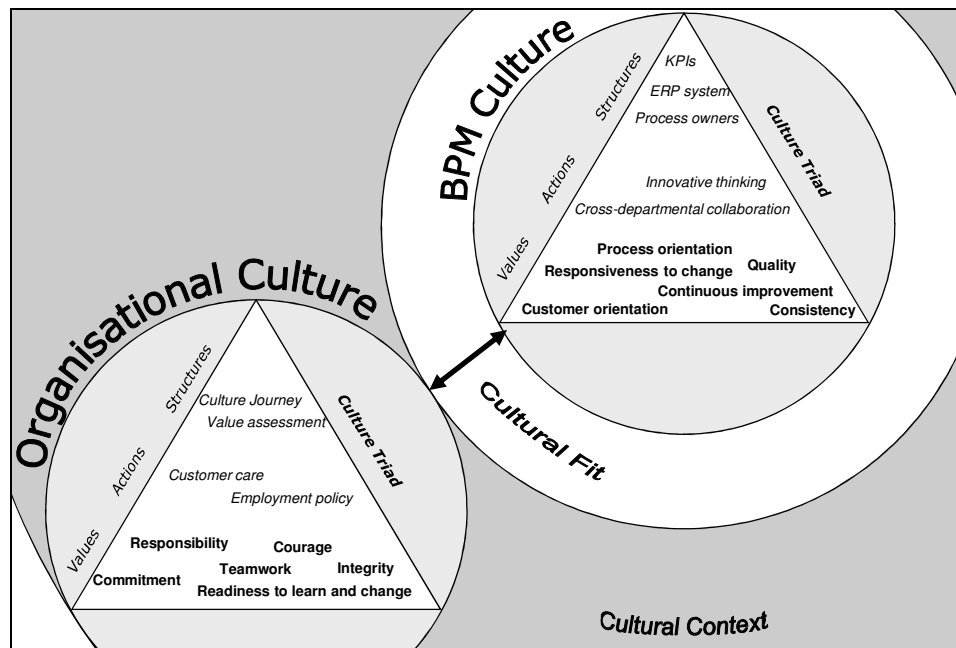


Figure 2: Close-up of the BPM-Culture-Model in the Hilti case

The Hilti example shows how the framework is able to explain cultural phenomena in BPM practice. Both an impact of organisational culture on BPM and an impact of BPM on organisational culture can be determined on the basis of the BPM-Culture-Model. Furthermore, the development of a BPM culture can be explained based on the culture triad cycle. In the following, we will discuss our findings before concluding the paper with a summary and outlook.

## DISCUSSION

Regarding the impact of our research for practice, the application of the model provides an value-based examination of culture's role in BPM. Our approach serves as an initial example to examine how far the BPM-Culture-Model is able to explain cultural phenomena of a BPM initiative that are generally hard to grasp and to evaluate with respect to their contribution towards the success of such a project. Against the background that there are strong obstacles with regard to people giving up well established local processes for the sake of globally "dictated" processes, the GPD project was considered an ambitious initiative. Still, it has been perceived as very successful. Based on our framework, we were able to determine the role of culture in this respect. The analysis shows how organisational culture serves as an important facilitator for the establishment of a BPM culture as an additional facet of the corporate culture. The Hilti case, furthermore, illustrates how the fit between BPM values and corporate values may already give insights on the cultural barriers faced when starting a BPM initiative. In particular, our framework helps to explain why it was possible for Hilti to avoid huge resistances during the transformation.

With regard to the scientific impact of the framework application, the analysis confirms the relations of the concepts of the BPM-Culture-Model. The application of the framework to the Hilti case, furthermore, shows that the model may have some predictive power: Based on the case of Hilti, we suggest that a comparison of general BPM values with the specific corporate values of Hilti would have already indicated a relatively smooth implementation of the BPM approach. Future research may strengthen this assumption. In addition, we found that

the notion of a culture triad cycle serves well to explain the process of developing a BPM culture in an organisation.

We are aware that a major limitation of our study is the application of our framework to only one company. We still chose to do so because this way, we had the chance to deeply analyse how general BPM values fit to the existing organisational culture in the Hilti case. This is especially interesting considering a transformation project of GPD's size with a corporation of approximately 20,000 employees worldwide. Furthermore, we are aware of the limitations regarding our research approach, which is based on the secondary analysis of interviews we conducted in the context of a case study on Hilti's GPD project. Yet, due to the fact that the case study focused on the role of Hilti's corporate culture with respect to the BPM initiative, we assume that our approach provided us with profound insights. The document analysis helped to gather additional information on the Hilti case. A further limitation of our approach concerns the fact that it does not provide insights on how to achieve a cultural fit in case there is no initial fit of values like in the Hilti case. This may be subject to future research.

With regard to the limitations of our study, we recommend the application of our framework in a broader context for future research. This should include the consideration of the all parts of the culture context, including national culture and work group culture. Furthermore, a deeper analysis of general and specific BPM values may serve to account for industry- or process-specific characteristics regarding a cultural fit. In addition, the development of a general set of values supportive of a BPM culture may be helpful to anticipate resistances faced in a BPM initiative. Finally, the model should be applied to a number of cases in order to be able to strengthen our statement regarding the explanatory power of the model's organisational facet.

## CONCLUSION

Applying the BPM-Culture-Model to the Hilti case, we aimed at answering the question how far the BPM-Culture-Model is able to explain cultural aspects of a very complex, global scale BPM initiative. Focussing on organisational culture as a given cultural context for the BPM project, we have seen that the framework is able to explain from a cultural perspective why Hilti's BPM initiative could be realised successfully. We have seen that a cultural fit exists between general BPM values and the corporate values at Hilti. This cultural fit has been recognised as being very important for the success of the BPM project. We can conclude that the BPM-Culture-Model systematically explains how a phenomenon as hard to grasp as culture relates to the success of a global BPM initiative. Moreover the model is able to predict to a certain extent whether a BPM initiative may face tremendous resistances or whether it should be realisable in a relatively smooth way. Thus, analysing the GPD project of the Hilti Corporation, we found that the framework serves as a means to determine whether a specific organisational culture represents a hindrance or a support on the way towards a global BPM approach of an organisation.

## REFERENCES

- Armistead, C., and Machin, S. 1997. "Implications of business process management for operations management," *International Journal of Operations & Production Management* (17:9), pp 886–898.
- Davenport, T. 1993. *Process innovation: Reengineering work through information technology*. Boston: Harvard Business School Press.
- DeToro, I., and McCabe, T. 1997. "How to stay flexible and elude fads," *Quality Progress* (30:3), pp 55–60.
- Hammer, M. 2010. "What is business process management?," in *Handbook on business process management. Introduction, methods, and information systems*, J. vom Brocke & M. Rosemann (eds.), Vol. 1, Berlin: Springer, pp 3–16.
- Harmon, P. 2010. "The scope and evolution of business process management," in *Handbook on business process management. Introduction, methods, and information systems*, J. vom Brocke & M. Rosemann (eds.), Vol. 1, Berlin: Springer, pp 37–81.
- Hilti 2000. *Annual report 2000*. Schaan: Hilti Corporation.
- Hilti 2005. *Annual report 2005*. Schaan: Hilti Corporation.
- Hilti 2010. "Company." Retrieved 15 July, 2010, from [http://www.hilti.com/holcom/page/module/home/browse\\_main.jsf?lang=en&nodeId=-8084](http://www.hilti.com/holcom/page/module/home/browse_main.jsf?lang=en&nodeId=-8084)
- Jesus, L., Macieira, A., Karrer, D., and Caulliraux, H. 2010. "BPM center of excellence. The case of a Brazilian company," in *Handbook on business process management. Strategic alignment, governance, people and culture*, J. vom Brocke & M. Rosemann (eds.), Vol. 2, Berlin: Springer, pp 283–303.
- Lee, R. G., and Dale, B. G. 1998. "Business process management: A review and evaluation," *Business Process Management Journal* (4:3), pp 214–225.

- Ravesteyn, P., and Versendaal, J. 2007. "Success factors of business process management systems implementation," *ACIS 2007 Proceedings. 18th Australasian Conference on Information Systems, 5-7 Dec 2007, Toowoomba, Australia*.
- Rosemann, M., and de Bruin, T. 2005. "Towards a business process management maturity model," *ECIS 2005 Proceedings. 13th European Conference on Information Systems, 26-28 May 2005, Regensburg, Germany*.
- Rosemann, M., and vom Brocke, J. 2010. "The six core elements of business process management," in *Handbook on business process management. Introduction, methods, and information systems*, J. vom Brocke & M. Rosemann (eds.), Vol. 1, Berlin: Springer, pp 109–124.
- Schein, E. H. 2004. *Organizational culture and leadership*, 3rd edition, San Francisco: Jossey-Bass.
- Smith, H., and Fingar, P. 2004. "Process management maturity models," *BPTrends*, July 2004, pp 1–5.
- vom Brocke, J., Petry, M., Sinnl, T., Kristensen, B. and Sonnenberg, C. 2010. "Global processes and data. The culture journey at Hilti corporation," in *Handbook on business process management. Strategic alignment, governance, people and culture*, J. vom Brocke & M. Rosemann (eds.), Vol. 2, Berlin: Springer, pp 537–556.
- vom Brocke, J., and Sinnl, T. 2010. "Culture in business process management: A literature review," *Business Process Management Journal (accepted for publication)*.
- Willcocks, L., and Smith, G. 1995. "IT-enabled business process reengineering: Organizational and human resource dimensions," *The Journal of Strategic Information Systems* (4:3), pp 279–301.
- Zairi, M. 1997. "Business process management: A boundaryless approach to modern competitiveness," *Business Process Management Journal* (3:1), pp 64–80.

## ACKNOWLEDGEMENTS

We gratefully acknowledge the support of the Hilti managers, who dedicated a significant amount of time to this project in interviews and numerous discussions.

## COPYRIGHT

[vom Brocke and Sinnl] © 2010. The authors assign to ACIS and educational and non-profit institutions a non-exclusive licence to use this document for personal use and in courses of instruction provided that the article is used in full and this copyright statement is reproduced. The authors also grant a non-exclusive licence to ACIS to publish this document in full in the Conference Papers and Proceedings. Those documents may be published on the World Wide Web, CD-ROM, in printed form, and on mirror sites on the World Wide Web. Any other usage is prohibited without the express permission of the authors.